Uniform Business Office Newsletter

Helping frontline users perform their day-to-day jobs

IMPORTANT NOTICE: *Due to Privacy concerns, all personal identifiers, such as names and personal email addresses, have been removed from this newsletter. We apologize for this inconvenience. If you have questions about an article, please do not hesitate to contact the UBO Help Desk (UBO.helpdesk@altarum.org/703-575-5385).*

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1. Re-Assessment of Automated Billing Alternatives

The Military Health System (MHS) is modernizing its computer systems and its billing practices. When the decision was made to go forward with buying a new commercial software billing system, the Services had not yet had great success with contracting parts of the billing, accounting, posting processes.

Every year, it is good to step back and assess if we are still moving in the correct direction based on the current environment.

1. This year, it was determined that there was a good possibility that all three Services might not elect to use the new commercial product. One Service is having success with contracting part of the billing process.

2. It has been determined that there is no civilian product currently meets all of our requirements.

3. Several business process changes are needed for all three Services to have the same billing processes. For instance, there are no standard TMA UBO metrics and goals for Medical Affirmative Claims, Medical Services Account and Third Party Collection.

4. Assumptions have changed. There is now a strong indication that CHCS will not be "turned off" in the near future. The entire TPOCS data feed from the Ambulatory Data, laboratory, radiology and pharmacy modules will be available from a central data repository as of October 2007.

BOTTOM LINE: The integration of the GE Flowcast billing system is on hold. An analysis of alternatives is being developed. The billing community is assessing where it needs to be in 3-5 years. We will keep you posted.

2. Using National Provider Identifier (NPI) Type 2 Numbers on Claim Forms

All UBO offices should be using NPI numbers on claim forms and providing legacy identifiers in addition to, but not instead of, the NPI. UBO billing systems were modified to generate new billing forms with the HIPAA-mandated NPIs for both individuals and organizations. However,

continued use of legacy identifiers may still be permitted, or even required, by some health plans.

The NPI used on UBO claims, both electronic and paper, should be the **Type 2 NPI of the billing organization**. This number includes all other entities for which the facility bills. For example, if a parent DMIS ID bills for a child DMIS ID, the correct NPI is the Type 2 NPI of the billing entity – in this case, the parent DMIS ID. Specific locations where heath services are provided – such as specific departments within an MTF, satellite clinics, pharmacies, and other organizations – are all part of the billing MTF's Type 2 NPI.

Billing offices should not use any Type 2 identifiers obtained for non-billing reasons – e.g., routing referrals and consults, Type 2 NPIs for dispensing pharmacies – on any bill. To make identification of the appropriate billing Type 2 NPI easier, TMA will update the enterprise DMIS ID table. This will facilitate identifying the appropriate billing Type 2 NPI for each treatment DMIS ID.

The following claims/fields are involved:

- CMS 1500 Fields 32(a) and 33(a)
- UB-04 Field 56
- NCPDP UCF Service Provider ID
- ADA Dental Claim Form Field 49
- All NPI Type 2 fields in HIPAA 837 Institutional, 837 Professional, and NCPDP transactions

If a health plan questions the Type 2 NPI on a claim, the submitting billing office should inform the plan that DoD policy is to bill all care under the Type 2 NPI of the billing MTF. In particular, pharmacy benefit managers may need help understanding that the Type 2 NPI that is linked to the pharmacy NCPDP number is **not** used for billing. The pharmacy is billed by the MTF.

3. CY 2007 Outpatient Itemized Billing (OIB) Rate Package Effective 30 June

New OIB rates are now available for download. In addition to updating rates for existing procedures, the package also includes rates for new 2007 CPT/HCPCS codes.

The CY2007 OIB rate package – released 30 June 2007 – includes the following rate files.

- CMAC and CMAC Component
- Anesthesia
- Ambulance
- Dental
- Durable Medical Equipment/Durable Medical Supplies
- Immunization
- International Medical Education and Training/Interagency Rate (IMET/IAR) percentages

Major changes this year include eliminating the pharmacy dispensing fee (see related article #5. below) and re-assignment of overseas sites to CMAC locality code 391. This new code was created to give overseas sites a locality that would remain consistent from year-to-year. Previously, overseas sites were assigned to the median cost locality, which changed each year. Now, overseas sites will have their own locality code (391).

Teleconferences were held in June explaining the overall changes in the new rate package and answer any questions about the rates. Download the slides from the UBO Web Site.

4. Elective Cosmetic Surgery Update

Overall, the CY 2007 rates for Elective Cosmetic Surgery are lower than last year. The new rates apply to procedures performed on or after 30 June 2007.

Key changes in this year's rate methodology resulted in a price decrease for institutional charges associated with outpatient surgical services in a bedded facility.

The institutional fee for outpatients using a hospital operating room or Ambulatory Procedure Unit (APU) is based on the lower of the TRICARE ambulatory payment classification (APC) rate or the TRICARE ambulatory surgical center (ASC) rate associated with the principal procedure. If there is no APC or ASC associated with the cosmetic procedure, the price for that procedure is based on a similar procedure requiring similar time, skills, and equipment. This rate methodology differs from 2006, when the facility fee was based on either the APC rate for procedures performed in the hospital operating room or the ASC rate for procedures performed in the operating room of a non-bedded facility.

Cosmetic procedure "MSA codes" were added to permit billing of procedures that did not have assigned codes. For example, an encounter for injecting Botox was coded with 17999, an unlisted code. Now, the session will be coded with Y1950 and billed at $200.

The methodology did not change for procedures conducted in a provider's office, where a separate institutional fee will not be billed. For procedures performed in a provider's office, the institutional fee is included in the professional component.

The Diagnosis Related Group (DRG) rate for inpatient surgical services increased from $5,167.21 to $5,530.00. This was based on the FY07 Direct Care reimbursement rates.

Teleconferences outlining the new rates and methodology were held in late June. The slides are available from the UBO Web Site.

5. Pharmacy Rate Update

IMPORTANT
Make sure your pay patients know about these rate changes.
IMPORTANT

Pharmacy rates were updated with several changes effective 1 July 2007. To continue the Military Health System's (MHS) migration toward "reasonable charges," the rates were calculated based on the Average Wholesale Price (AWP). Since the AWP covers supply costs and dispensing costs, the separate pharmacy dispensing fee was set to zero ($0.00). In addition, effective with this update, the pharmacy file will no longer set rates for miscellaneous supplies or for over-the-counter drugs. The new pharmacy rate table, along with a list of the miscellaneous supplies and OTC drugs, is available on the UBO Web Site. Slides from teleconferences held in June explaining the new rate and policies are also available on this site.

6. Pharmacy Pricing Estimator Tool (PPET)

*The tool does **not** price miscellaneous supplies or over-the-counter drugs.*

OCONUS pay patients now have a tool to help them determine their pharmacy costs before filling their prescriptions. A Microsoft Access®-based Pharmacy Pricing Estimator Tool (PPET) lets individuals calculate the cost of prescription drugs based on drug name, drug strength, and quantity. Pay patients can use this information to conduct a price comparison with other sources of pharmaceuticals.

Each OCONUS MTF should contact its UBO Service Representative to learn more about PPET and how it will be distributed. Contact the UBO helpdesk for any questions about PPET.

7. FY 2008 Inpatient Adjusted Standardized Amounts (ASAs)

The FY 2008 Inpatient ASA rates, currently under development for MTFs that provide inpatient care, are expected to be effective 1 October 2007. A teleconference will be scheduled in September to review the new rates. The dates and times will be coordinated through UBO Service Managers as well as posted on the UBO Web Site.

8. Standard Insurance Table (SIT) Clean-Up Plan

It's time to clean up the SIT. After the Standard Insurance Table/Other Health Insurance (SIT/OHI) Conversion, TMA UBO reviewed the known issues with the Table and developed a course of action to clean it up, beginning in July. The goal of this clean up is to eliminate duplicate and unwanted Health Insurance Carriers (HICs) so that it will be easier to select the correct HIC. This of course, must be accomplished without negatively affecting any OHI data associated with a particular HIC.

Teleconferences outlining the issues and discussing possible resolutions were held in May. Slides from these teleconferences are available from the UBO Web Site. For any SIT/OHI concerns, or questions, contact the SIT/OHI Verification Point of Contact. (See the Appendix at the back of this newsletter for additional information about this subject.)

9. Following Up on Billed Telephone Calls

The 19 April 2007 Policy Memorandum 07-005 prohibiting MTFs from billing for telephone calls also prohibits follow-up on collections for bills previously sent. Therefore, MTFs must have a process to write off these claims. Air Force and Navy MTFs should write these claims off as "improper bills." Army MTFs must check with their Service Manager.

10. 2008 Annual UBO/UBU Conference (31 March – 4 April 2008)

Call for Speakers

It's time to start planning for next year's Annual Conference. If you are interested in speaking or can recommend an interesting speaker or topic, please let us know by e-mail or call us at 703-575-1709. Remember, the conference is even more successful if everyone participates.

11. Don't Let Eligibility Fraud Happen at Your MTF!

MTFs have a duty to identify and eliminate eligibility fraud. This includes checking eligibility through the Defense Enrollment Eligibility Reporting System (DEERS) to confirm beneficiary eligibility and confiscating the ID card of any individual who is no longer entitled to medical care through DoD. This is in keeping with the 22 May 2003, DoD Instruction 1000.24 – Confiscation of Fraudulent Identification (ID) Cards at Military Treatment Facilities, which requires the Military Services to have an ID card fraud policy and program implemented at each MTF. Moreover, an

MTF must seek to recover costs incurred for any medical care provided any individual found to have been ineligible for care furnished by the MTF.

Common situations that affect eligibility:

- An Active Duty member separates (e.g., not retires) from the Service
- Eligible children reach the age of 21 (except for situations, confirmed by the Personnel community, allowing them to continue their eligibility)
- Divorce from a sponsor (unless the spouse meets certain eligibility requirements)

Sponsors must report, within 30 days, any change in their own status, or that of a family member, that affects eligibility for medical care. Otherwise, they run the risk of being financially responsible for any medical care provided.

MTFs should ensure that a responsible individual reviews the daily CHCS report listing individuals who received care and are not DEERS-eligible.

Although MTFs have an important role to play in detecting and eliminating eligibility fraud, they are not the final decision-maker regarding beneficiary eligibility for care. Only Service Personnel offices can make final determinations of beneficiary eligibility.

12. Training Update

Watch for an upcoming SIT User Teleconference.

For most teleconferences, there will be a session scheduled at 2100 Eastern to facilitate increased participation by OCONUS MTFs.

NEW
Evening teleconferences offered.

Abbreviations/Acronyms in This Newsletter

ADA	American Dental Association
AoA	Analysis of Alternatives
APC	Ambulatory Payment Classification
APU	Ambulatory Procedure Unit
ASA	Adjusted Standardized Amount
ASC	Ambulatory Surgical Center
AWP	Average Wholesale Price
CHAMPUS	Civilian Health and Medical Program of the Uniformed Services
CHCS	Composite Health Care System
CMAC	CHAMPUS Maximum Allowable Charge
CMBB	Charge Master Based Billing
CMS	Centers For Medicare And Medicaid Services
CPT	Current Procedural Terminology
CY	Calendar Year
DEERS	Defense Enrollment Eligibility Reporting System
DMDC	Defense Manpower Data Center
DMIS	Defense Medical Information System
DME/DMS	Durable Medical Equipment/Durable Medical Supplies
DoD	Department of Defense
DRG	Diagnosis Related Group
FY	Fiscal Year (October 1 – September 30)
HCPCS	Healthcare Common Procedure Coding System
HIC	Health Insurance Carrier
HIPAA	Health Insurance Portability and Accountability Act
IAR	Inter-Agency Rate
ID	Identification [Card]
IMET	International Military Education and Training
MHS	Military Health System
MSA	Medical Services Account
MTF	Military Treatment Facility
NCPDP	National Council for Prescription Drug Programs
NPI	National Provider Identifier
OCONUS	Outside the Continental United States
OHI	Other Health Insurance
OIB	Outpatient Itemized Billing
OTC	Over-the-Counter
PPET	Pharmacy Pricing Estimator Tool
POC	Point of Contact
SIT	Standard Insurance Table
TMA	TRICARE Management Activity
UB-04	Uniform Bill
UBO	Uniform Business Office
UBU	Unified Biostatistical Utility
UCF	Uniform Claim Form
VPOC	Verification Point of Contact

UBO Reference Portals

Uniform Business Office (UBO)
http://tricare.osd.mil/rm/index.cfm?pageId=10

Unified Biostatistical Utility (UBU)
http://www.tricare.osd.mil/org/pae/ubu/default.htm

MHS Helpdesk
http://www.MHS-helpdesk.com

Third Party Outpatient Collection System (TPOCS)
http://www.tpocshelpdesk.com

CHCS Implementation Alerts and OIB
https://fieldservices.saic.com

UBO Questions (This is an email address)
ubo.helpdesk@altarum.org

UBO Support Additional Web Site
https://my.altarum.org/sites/ubo/default.aspx

APPENDIX – SIT/OHI Clean-Up – Expanded Article

It's time to clean up the Standard Insurance Table (SIT)
After the SIT/OHI Conversion, TMA/UBO reviewed the known issues with the SIT and developed a course of action with the Verification Point of Contact (VPOC) leading the effort.

While the SIT is functioning as designed, Military Treatment Facilities (MTFs) are beginning to have other Health Insurer Carriers (HICs) cross over to their Composite Health Care System (CHCS). Along with the duplicate HIC issue, many MTFs have had to wade through the clutter of unwanted HICs to select the correct HIC.

Basic Premise
- Identify and then deactivate duplicate HICs
- Re-point the OHI that would be associated with the duplicate HICs

A dedicated e-mail mailbox has been created for the VPOC to facilitate a user communication system.

Background
The SIT is on the Defense Enrollment Eligibility System (DEERS), which is supported by the Defense Manpower Data Center (DMDC). With the SIT/OHI conversion, there is now global access to the SIT.

Joining the effort:
- DMDC representative
- Committee of three (3) Service representatives (one from each Service)
- VPOC
- MTFs

How It Will Work
- DMDC runs a duplicate report on selected HICs, noting the number of associated OHI.
  - For example, Mail Handlers has 29 HICs. This needs to be reduced to the lowest number possible.
- The Committee reviews and recommends HICs to save and HICs to deactivate.
- The UBO Service Managers send the list of designated HICs to their respective MTF sites.
- Each MTF must review the list and alert the VPOC if the HIC should remain untouched.
- MTFs may re-point the OHI. There will be a 60-day window from the time the list is received to any HIC deactivation.

Safety Net
- No HIC will be deactivated if any OHI remains associated with it, as demonstrated by periodic DMDC reports.
- The process will begin with smaller numbers of carriers to assess the effectiveness of the clean-up effort before proceeding.
- This will *not* disrupt current billing practices.

Slides from teleconferences outlining the issues and discussing possible resolutions are available from the UBO Web Site. For any SIT/OHI concerns or questions, contact the SIT/OHI VPOC. We anticipate beginning the clean-up at the end of July 2007.